

1Q25 Earnings Release

Studio Dragon
8th May 2025

STUDIO
Dragon

Disclaimer

This financial information in this document are consolidated earnings results based on K-IFRS.

This document is provided for the convenience of investors only, before the external audit on our 1Q 2025 financial results is completed. The audit outcomes may cause some parts of this document to change.

In addition, this document contains “forward-looking statements” – that is, statements related to future, not past, events. In this context, “forward-looking statements” often address our expected future business and financial performance, and often contain words such as “expects”, “anticipates”, “intends”, “plans”, “believes”, “seeks” or “will”. Our actual results to be materially different from those expressed in this document due to uncertainties.

CONTENTS

/ 01. Growth Strategies

/ 02. 1Q25 Highlights

/ 03. 1Q25 Business Performance

- Summary

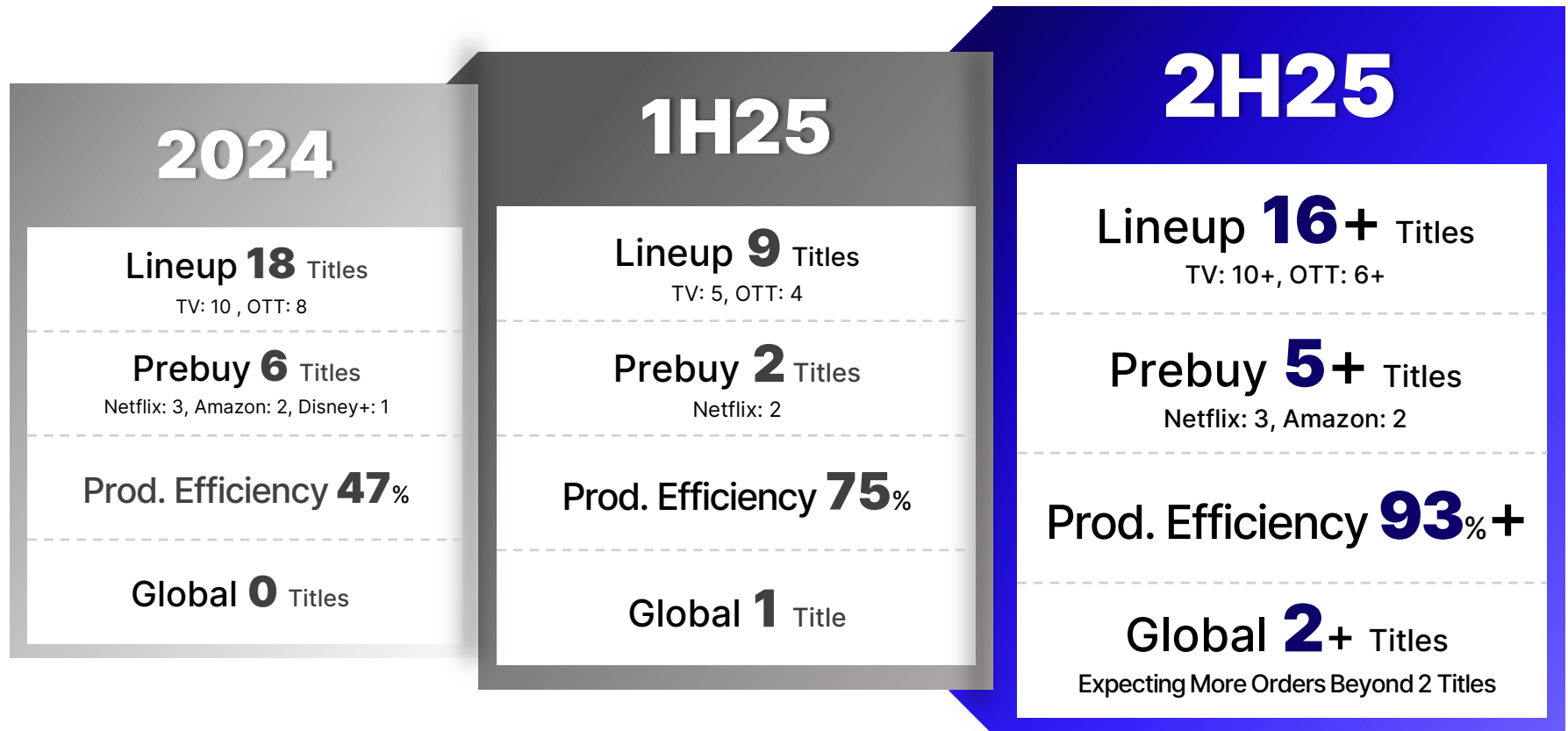
- Revenue Breakdown

- Cost Breakdown

/ 04. Appendix

/ KEY STRATEGIES

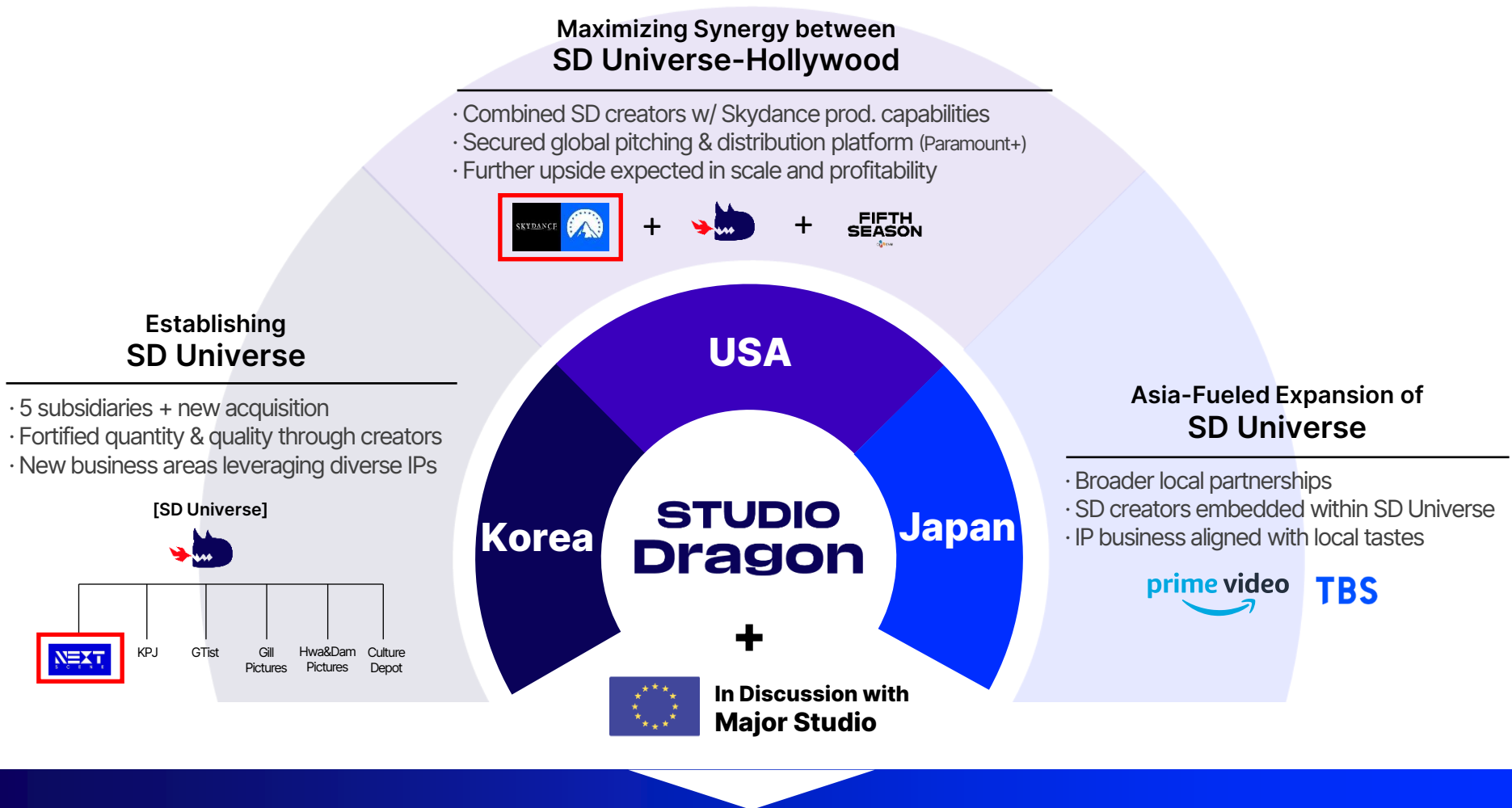
Turning the Corner into 2H25



Fundamental Rebuild, Strategic Uplift in 2H25

/ KEY STRATEGIES

Enhancing Growth Drivers: M&A and Equity Investments



Volume, **I**mpact, **P**rofitability Up

/ 1Q25 HIGHLIGHTS

Resilience in Progress

POSITIVES

Diversified Genre	More Originals	Stronger Local Presence
<ul style="list-style-type: none"> • YA/School series <ul style="list-style-type: none"> - <Study Group> S2 Confirmed - New Format under review • Female-led historical show 	<ul style="list-style-type: none"> • Originals +2 eps (YoY) • <Study Group> #1 in Tving Paid Subscriber Contribution (for 4 Weeks) 	<ul style="list-style-type: none"> • Local sales +52.0% (YoY) • Expanded regional sales driving local influence

NEGATIVES

Reduced Lineup	Sluggish Ratings	Declined Sales
<ul style="list-style-type: none"> • 59 eps (YoY -12 eps) <ul style="list-style-type: none"> - TV: 40 eps (YoY -14 eps) - OTT 19 eps (YoY +2 eps) 	<ul style="list-style-type: none"> • Avg. rating -3.1%p (YoY) • Penalty incurred for 16 eps^(*) due to low ratings <p>^(*) <When the Stars Gossip></p>	<ul style="list-style-type: none"> • Prebuys -38 eps (YoY) • VOD -37.3% (YoY)

/ SUMMARY

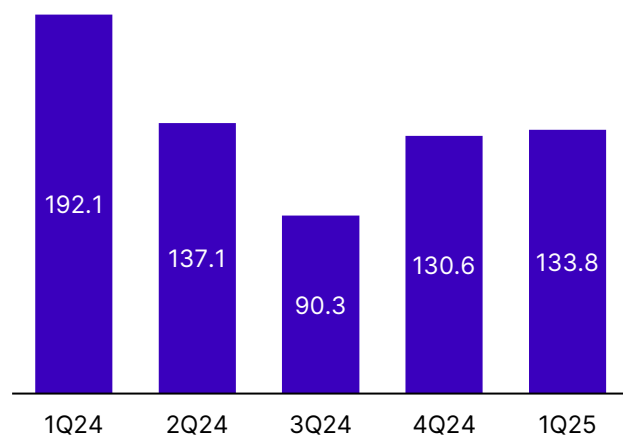
1Q25 Revenue W133.8bn(YoY -30.3%, QoQ +2.5%), **OP W4.3bn**(YoY -80.1%, QoQ -20.1%)

Weak Performance due to reduced lineup(71→59 eps), decline of prebuy titles (54→16 eps), and underperforming new IPs

2Q25: Offsetting reduced TV lineup with originals, focusing on the strategic pivot toward new growth drivers

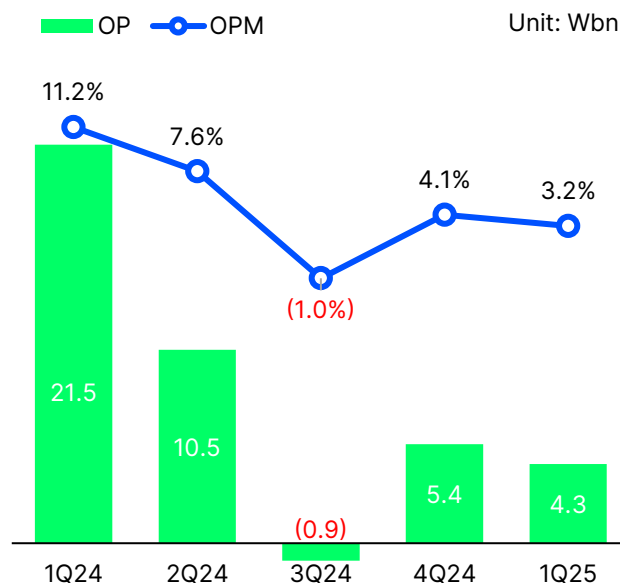
Revenue

Unit: Wbn



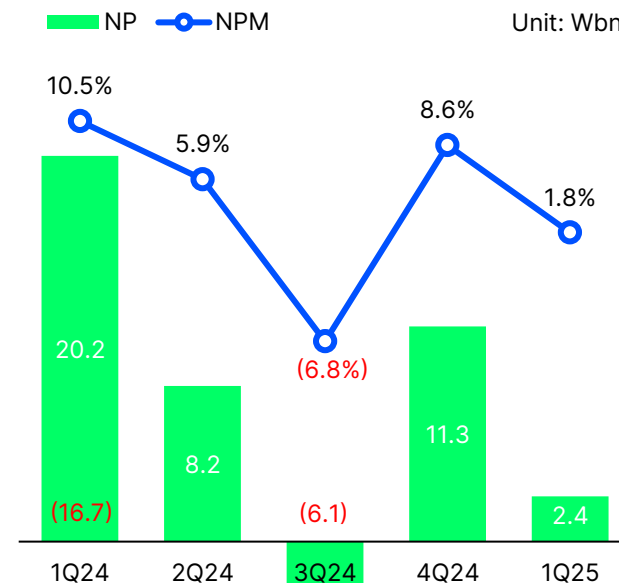
Operating Profit

Unit: Wbn



Net Profit

Unit: Wbn

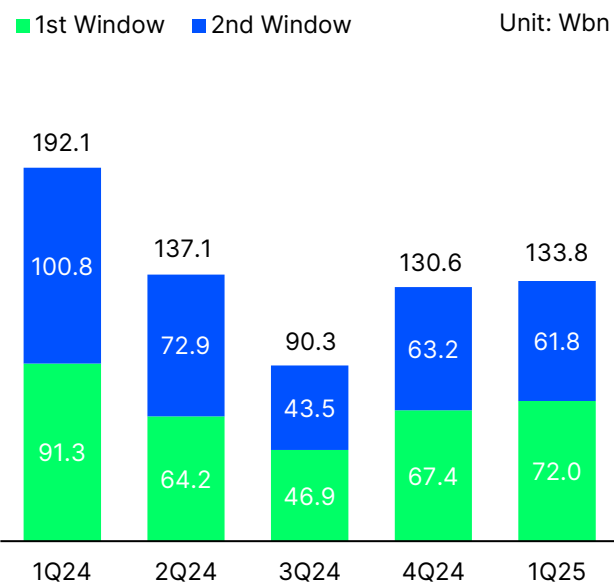


/ REVENUE BREAKDOWN

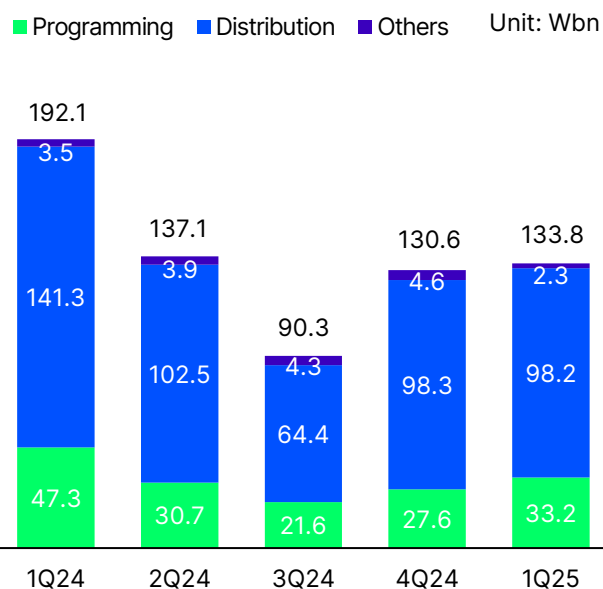
Resilient revenue mix sustained via diversified formats and regional sales, despite fewer airings and pre-sales

- **Windows**, 1st Window W72.0bn (YoY -21.1%), 2nd Window W61.8bn (YoY -38.7%)
- **Channels**, Programming W33.2bn (YoY -29.7%), Distribution W98.2bn (YoY -30.5%), Others W2.3bn (YoY -33.3%)
- **Regions**, Domestic W57.9bn (YoY -13.7%), Overseas W75.9bn (YoY -39.3%)

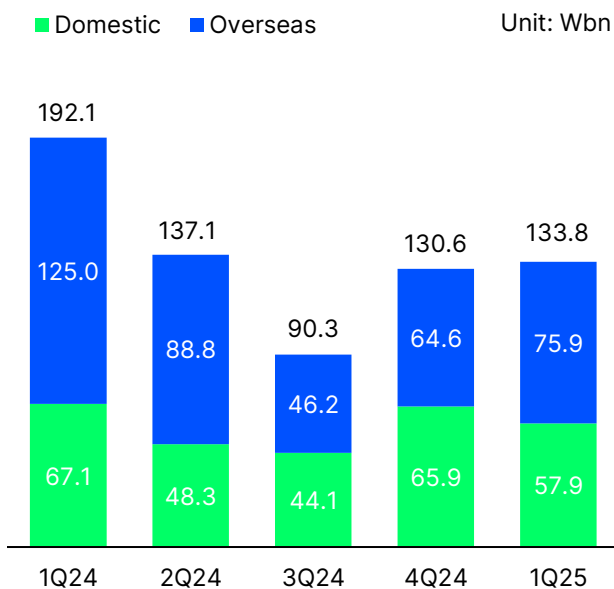
Windows^(*)



Channels



Regions



^(*) 1st Window = Rev. from TV programming, OTT original Series, Sponsorship, etc. / 2nd Window = VOD, Licensing, other business excel. sponsorship, etc.

/ COST BREAKDOWN

OPEX, Total costs declined due to fewer titles, but the COGS ratio (YoY +6.4%p) and SG&A ratio (YoY +1.6%) rose amid weak revenue

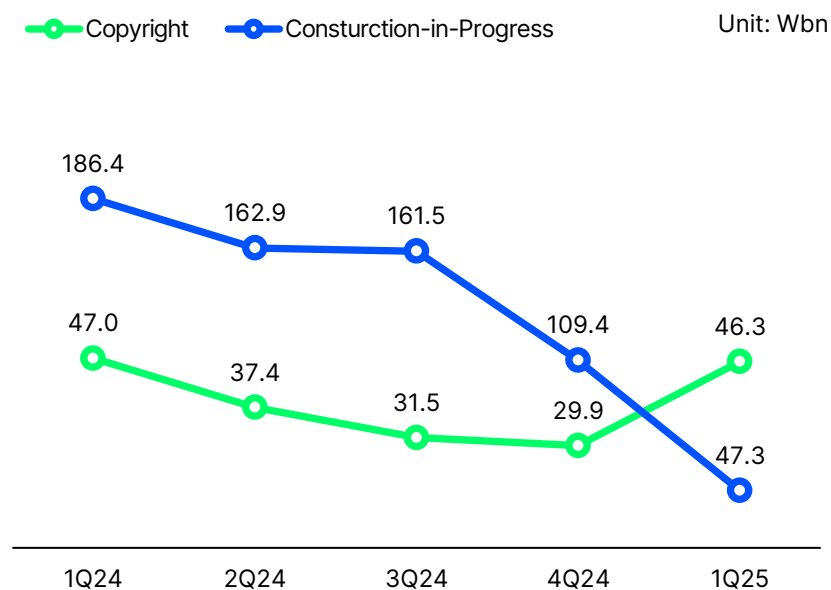
Intangible Asset, Construction-in-progress temporarily declined (YoY -74.6%) reflecting reduced TV programming

OPEX Breakdown (P/L)

Unit: Wbn

	1Q24	2Q24	3Q24	4Q24	1Q25
Production COGS	91.3	59.6	45.4	67.1	69.5
Labor Costs	7.5	7.4	7.5	9.3	7.5
Depreciation	0.8	0.9	0.9	0.9	0.9
Amortization	50.2	38.6	26.1	28.2	36.2
Commissions	19.0	18.0	10.0	17.1	13.5
Others	1.7	2.1	1.4	2.6	2.0
OPEX	170.5	126.7	91.3	125.2	129.5

Intangible Asset (B/S)



/ FINANCIAL STATEMENT

(Unit: Wbn)	1Q24	4Q24	1Q25	QoQ (%)	YoY (%)
Total Assets	1,066.0	925.7	929.8	0.4	(12.8)
Current Assets	412.5	393.8	406.1	3.1	(1.6)
Cash and Cash Equivalents	205.7	178.2	207.7	16.6	1.0
Others	206.9	215.6	198.4	(8.0)	(4.1)
Non-Current Assets	653.5	531.9	523.7	(1.5)	(19.9)
Tangible Assets	12.0	11.7	11.3	(3.9)	(5.9)
Intangible Assets	319.5	204.9	157.6	(23.0)	(50.7)
Others	322.0	315.3	354.7	12.5	10.2
Total Liabilities	350.2	185.9	191.2	2.9	(45.4)
Current Liabilities	333.7	169.4	135.1	(20.3)	(59.5)
Non-Current Liabilities	16.5	16.4	56.1	241.3	239.7
Shareholders' Equity	715.8	739.8	738.6	(0.2)	3.2
Capital Stock	15.0	15.0	15.0	0.0	0.0
Paid-In Capital in Excess of Par Val	473.4	473.4	473.4	0.0	0.0
Retained Earnings	262.2	274.8	277.1	0.9	5.7
Other Components of Equity	(0.3)	(0.1)	(0.2)	CR	CR
Key Financial Ratios					
Current Ratio(%)	123.6	232.4	300.7	68.3%p	177.1%p
Net Debt(Net Cash)Ratio(%)	(4.8)	(23.9)	(27.7)	(3.9)%p	(23.0)%p
Cash Ratio(%)	61.6	105.1	153.8	48.6%p	92.1%p

Note (1) K-IFRS consolidated basis

(2) Current Ratio = Current Assets / Current Liabilities, Net Debt (Net Cash) to Equity = Net Debt (Net Cash) / Shareholders' Equity,

Cash Ratio = Cash and Cash Equivalents / Current Liabilities

(3) TR (Turned Red), TB (Turned Black), CR (Continued Red), n/a (not available)

/ INCOME STATEMENT

(Unit: Wbn)	1Q24	2Q24	3Q24	4Q24	1Q25	QoQ (%)	YoY (%)	2023	2024	YoY (%)
# of Episodes Aired	71	42	59	46	59	28.3	(16.9)	341	218	(36.1)
TV	54	34	38	26	40	53.8	(25.9)	227	152	(33.0)
OTT	17	8	21	20	19	(5.0)	11.8	114	66	(42.1)
Revenue	192.1	137.1	90.3	130.6	133.8	2.5	(30.3)	753.1	550.1	(27.0)
Programming	47.3	30.7	21.6	27.6	33.2	20.2	(29.7)	154.1	127.2	(17.4)
Distribution	141.3	102.5	64.4	98.3	98.2	(0.1)	(30.5)	588.9	406.5	(31.0)
Others	3.5	3.9	4.3	4.6	2.3	(49.9)	(33.3)	10.1	16.4	61.2
OPEX	170.5	126.7	91.3	125.2	129.5	3.4	(24.1)	697.3	513.7	(26.3)
COGS	163.4	119.0	84.4	115.3	122.4	6.2	(25.1)	665.3	482.1	(27.5)
SG&A	7.2	7.7	6.8	9.9	7.1	(28.2)	(0.5)	32.0	31.6	(1.3)
Operating Profit	21.5	10.5	(0.9)	5.4	4.3	(20.1)	(80.1)	55.9	36.4	(34.9)
Margin(%)	11.2	7.6	(1.0)	4.1	3.2	(0.9)%p	(8.0)%p	7.4	6.6	(0.8)%p
Non-Operating Profit	5.7	2.7	(3.1)	(13.4)	1.8	TB	(68.2)	(18.7)	(8.2)	CR
Non-Operating Income	8.7	6.6	(0.6)	5.8	2.6	(54.4)	(69.5)	15.3	20.4	34.0
Non-Operating Expenses	3.0	3.9	2.5	19.2	0.8	(95.7)	(72.1)	33.9	28.6	(15.6)
Pre-tax Profit	27.2	13.2	(4.1)	(8.1)	6.1	TB	(77.6)	37.2	28.2	(24.2)
Income Taxes	7.0	5.0	2.1	(19.4)	3.7	TB	(47.0)	7.1	(5.3)	TR
Net Profit	20.2	8.2	(6.1)	11.3	2.4	(79.0)	(88.3)	30.1	33.5	11.3
Margin(%)	10.5	5.9	(6.8)	8.6	1.8	(6.9)%p	(8.7)%p	4.0	6.1	2.1%p

Note (1) K-IFRS consolidated basis

(2) TR (Turned Red), TB (Turned Black), CR (Continued Red), n/a (not available)



Second Shot at Love

tvN
12 eps
May 12th~ June 17th

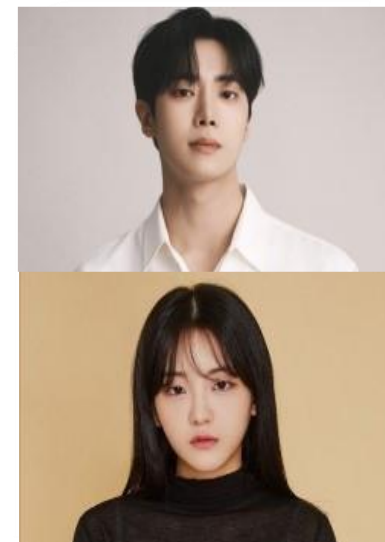


Our Unwritten Seoul

tvN, Netflix
12 eps
May 24th~ June 29th

Gyeon U and Fairy

tvN, Amazon Prime Video
12 eps
Slated for June



Marry My Husband (JP)

Amazon Prime Video
10 eps
June 27th

Genie, Make a Wish

Netflix
To be delivered in June



Dear X

TVING
To be delivered in June

Thank you

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Dragon**